

ILLINOIS-AMERICAN WATER COMPANY
DuPAGE COUNTY SERVICE DISTRICT
Calculation of Variable Purchased Water Price
December 2002

FORMULA FACTORS

1. Purchased water charge in effect, per 1,000 gallons, effective August 15, 2002	\$2.33
2. Unit rate for variable purchased water cost and/or alternate delivery (wheeling) costs, per 1,000 gallons, per Exhibit B	\$2.086
3. Metered usage plus unaccounted-for water usage during the prior base period, in 1,000's of gallons, per Exhibit C (April through December)	533,805
4. Metered usage plus unaccounted-for water usage during the prior base period, in 1,000's of gallons, per Exhibit C (March through November to coincide with billing period)	530,755
5. Metered usage during the prior base period, in 1,000's of gallons, per Exhibit C (April through December)	471,769
6. Balance of unrecovered or (overrecovered) Supply Charge costs, per Exhibit D	(27,214)

CALCULATION OF VARIABLE COMPONENT

In accordance with Ill. Adm. Code 655:

Purchased Variable Water Charge in Effect (\$M/gal)	Estimated Purchased Water Cost and/or Alternate Delivery Variable Costs	+	Commission-ordered adjustment component for variable charge	+	Utility-determined adjustment component for variable charge	=	Recomputed Purchased Variable Water Charge (\$M/gal)
	Metered Usage in Mgals During Prior Base Period						
\$2.33	\$1,107,154.93	+	0	+	(\$27,214)	=	\$2.29
	471,769						

ILLINOIS-AMERICAN WATER COMPANY
DuPAGE COUNTY SERVICE DISTRICT
Calculation of Fixed Purchased Water Price
December 2002

FORMULA FACTORS

1. Purchased water charge in effect, per 1,000 gallons, effective September 23, 2001	\$8.38
2. Fixed cost for purchased water cost and/or alternate delivery (wheeling) costs, per 1,000 gallons, per Exhibit B, Page 2 of 3.	\$466,470.00
3. Equivalent Billing Units (EBU) per Exhibit B, page 3 of 3.	59,764.5
4. Metered usage during the prior base period, in 1,000's of gallons, per Exhibit C	N/A
5. Balance of unrecovered or (overrecovered) Fixed Supply Charge costs	13,036

CALCULATION OF FIXED COMPONENT

In accordance with Ill. Adm. Code 655:

Fixed Water Charge in Effect (\$/month/EBU)	Estimated Purchased Water Cost and/or Alternate Delivery Fixed Costs	+	Commission-ordered adjustment component for fixed charge	+	Utility-determined adjustment component for fixed charge	=	Recomputed Fixed Water Charge (\$/month/EBU)
			Equivalent Billing Units				
\$8.38	\$466,470.000	+	0	+	\$13,036	=	\$8.02
			59,764.5				

ILLINOIS-AMERICAN WATER COMPANY
DuPAGE COUNTY SERVICE DISTRICT
Variable Purchased Water Costs
December 2002

Description	Rate Per 1,000 gal
Variable rate purchased water charges:	
Operation and maintenance costs:	\$1.380
Subsequent customer capital risk charge:	0.270
Wheeling costs per below:	0.436
Total variable rate purchased water charges:	<u>2.086</u>
New wheeling costs:	
City of Wheaton	\$0.200
Prorated amount based upon Metered Usage Plus Unaccounted-for Water usage, per below (9.750% x \$0.20)	0.020
City of Elmhurst	\$0.200
Prorated amount based upon Metered Usage Plus Unaccounted-for Water Usage, per below (5.306% x \$.20)	0.011
Village of Lisle	\$0.805
Prorated amount based upon Metered Usage Plus Unaccounted-for Water Usage, per below (30.299% x \$.805)	0.244
Village of Lombard	\$0.316
Prorated amount based upon Metered Usage Plus Unaccounted-for Water Usage, per below (3.652% x \$.316)	0.012
Village of Winfield	\$0.90
Prorated amount based upon Metered Usage Plus Unaccounted-for Water Usage, per below (15.621% x \$.90)	0.141
Village of Glen Ellyn	\$0.400
Prorated amount based upon Metered Usage Plus Unaccounted-for Water Usage, per below (1.938% x \$.40)	<u>0.008</u>
Total wheeling costs:	\$0.436

Proration of wheeling cost:

<u>Service Area</u>	Metered Usage Plus Unaccounted-for <u>Water Usage</u>	<u>Percentage</u>
Arrowhead	67,607	9.750%
Country Club	36,793	5.306%
DuPage-Lisle	210,091	30.299%
Lombard	25,320	3.652%
Valley View	231,826	33.434%
Liberty Ridge West	108,316	15.621%
Liberty Ridge East (est)	13,439	1.938%
Total	<u>693,392</u>	<u>100.000%</u>

ILLINOIS-AMERICAN WATER COMPANY
DuPAGE COUNTY SERVICE DISTRICT
Fixed Purchased Water Costs
December 2002

Fixed Cost Rate - Previous: From previous filing

Total actual charges for the prior 12 months:	28,079
Less-Credit for Charter Customers' facilities @ 43.32%	(12,164)
Missed FC Payments and Facilities Charge	48,785
Net fixed costs	<u>\$64,700</u>
	<u>67,112</u>
Calculated fixed cost rate per 1,000 gallons	<u>\$0.964</u>

Fixed Cost Rate - New:

Prior year monthly fixed cost requirement	<u>\$1,114,713</u>
Divide by prior year rate	0.42
Multiply by new rate for 2001-2002	0.31915
Projected monthly fixed cost requirement	<u>\$847,063</u>
Total IAWC allocation as a % of total allocation	2.727%
IAWC estimated monthly fixed cost requirement	
requirement (\$847,063 x 2.727%)	\$18,831
Less-Credit for Charter Customers' facilities @ 43.32%	(8,158)
Other Fixed Charges - Facilities, Missed FC Pmts.	41,157
Net monthly fixed charge cost	<u>\$51,830</u>
Annualized for 9 months	<u>\$466,470</u>

ILLINOIS-AMERICAN WATER COMPANY
DuPAGE COUNTY SERVICE DISTRICT
Calculation of Equivalent Billing Units
December 2002

CALCULATION OF EQUIVALENT BILLING UNITS				
Meter Size	Number in Service	Equivalent Factor	Equivalent Units	
5/8" DISK	5,730	1.0	5,730.0	
3/4" DISK	286	1.5	429.0	
1" DISK	49	2.5	122.5	
1 1/2" DISK	23	5.0	115.0	
2" DISK	23	8.0	184.0	
3" DISK	4	15.0	60.0	
4" DISK	0	25.0	0.0	
6" DISK	0	50.0	0.0	
8" DISK	0	80.0	0.0	
10" DISK	0	115.0	0.0	
12" DISK	0	168.0	0.0	
3" TURBINE	0	17.5	0.0	
4" TURBINE	0	30.0	0.0	
6" TURBINE	0	62.5	0.0	
8" TURBINE	0	90.0	0.0	
10" TURBINE	0	145.0	0.0	
Total Equivalent Billing Units			6,640.5	

ILLINOIS-AMERICAN WATER COMPANY
DuPAGE COUNTY SERVICE DISTRICT
 Water Usage
 December 2002

Description	Metered Usage (1,000 of gallons)	Metered Usage Plus Unaccounted-for Water Usage (1,000 of gallons)
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For the monthly billing period ending in the month of:

2002 January	41,267	56,524
2002 February	41,516	49,078
2002 March	40,595	53,985
2002 April	41,143	51,410
2002 May	45,381	56,183
2002 June	50,979	64,155
2002 July	59,026	78,187
2002 August	66,389	64,155
2002 September	56,953	58,364
2002 October	52,514	51,930
2002 November	51,106	52,386
2002 December	48,278	57,035
Total for the 12 most recent months	<u>595,147</u>	<u>693,392</u>

ILLINOIS-AMERICAN WATER COMPANY
DuPAGE COUNTY SERVICE DISTRICT
Summary of Lake Water Purchases and Cost Recovery
December 2002

VARIABLE COSTS	(A) Actual Cost of Lake Water Purchased	(B) Cost Recovery via Lake Water Supply Charge	(A - B) Monthly Unrecovered (Overrecovered) Supply Charge Cost	Cumulative Unrecovered (Overrecovered) Supply Charge Cost
Month				
Balance forward from:				\$0
January	\$179,061	\$128,830	\$50,231	50,231
February	148,851	126,231	22,620	72,850
March	147,017	120,657	26,360	99,211
April	157,155	124,515	32,640	131,851
May	152,380	134,505	17,875	149,727
June	166,291	156,021	10,270	159,997
July	185,394	177,141	8,253	168,250
August	142,624	180,050	(37,426)	130,824
September	124,906	136,456	(11,550)	119,273
October	111,517	120,777	(9,260)	110,013
November	100,599	104,887	(4,288)	105,726
December	119,294	100,886	18,408	124,134
Total	<u>\$1,735,089</u>	<u>\$1,610,955</u>	<u>\$124,134</u>	<u>124,134</u>
Unrecovered (Overrecovered) variable supply charges.				<u>\$124,134</u>
Utility-determined reconciliation component (Mid-August through December)				<u>(\$27,214)</u>

ILLINOIS-AMERICAN WATER COMPANY
DuPAGE COUNTY SERVICE DISTRICT
Summary of Lake Water Purchases and Cost Recovery
December 2002

Month	(A) Actual Cost of Lake Water Purchased	(B) Cost Recovery via Lake Water Supply Charge	(A - B) Monthly Unrecovered (Overrecovered) Supply Charge Cost	Cumulative Unrecovered (Overrecovered) Supply Charge Cost
Balance forward from:				\$0
January		\$0	\$0	0
February		0	0	0
March		0	0	0
April		0	0	0
May		0	0	0
June		0	0	0
July		0	0	0
August	48,242	27,274	20,968	20,968
September	50,718	39,566	11,152	32,120
October	49,772	54,961	(5,189)	26,931
November	49,251	55,009	(5,758)	21,173
December	56,504	55,171	1,333	22,505
Total	<u>\$254,487</u>	<u>\$231,982</u>	<u>\$22,505</u>	<u>22,505</u>
Unrecovered (Overrecovered) variable supply charges.				<u>\$22,505</u>
Utility-determined reconciliation component (Mid-August through December)				<u>\$13,036</u>